



STATE OF ARIZONA

JANET NAPOLITANO
GOVERNOR

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July 7, 2008

The Honorable Tim Bee
President
Arizona State Senate
1700 West Washington
Phoenix, AZ 85007

Re: Senate Bill 1484; Prime Contracting Deduction; University Improvements

Dear President Bee:

Today I vetoed Senate Bill 1484, a bill that proposed to divert the State's share of certain transaction privilege tax revenues and transfer them to any city that expended monies to provide infrastructure necessitated by the construction of privately funded university buildings.

Senate Bill 1484 is unfair; it only benefits cities that have state universities. Yet these cities already benefit greatly from a university's presence. An extra tax "dividend" goes too far.

In addition, if this special tax treatment is afforded to universities, other worthy organizations (community colleges, public hospitals, etc.) would be justified in making the same request of the general fund, further limiting the State's abilities to fund its priorities. These priorities include, obviously, the funding for the universities themselves.

For these and other reasons, I have vetoed Senate Bill 1484.

Yours very truly,

A handwritten signature in dark ink, appearing to read "Janet Napolitano", followed by a long horizontal line.

Janet Napolitano
Governor

cc: The Honorable Jim Weiers
The Honorable Thayer Verschoor